

## Message Text

UNCLASSIFIED

PAGE 01 BRUSSE 18143 01 OF 02 081918Z  
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08  
FRB-01 INR-07 NSAE-00 SP-02 STR-05 TRSE-00 LAB-04  
SIL-01 OMB-01 OPIC-06 AGRE-00 XMB-04 SSO-00  
INRE-00 NSCE-00 IO-14 PRS-01 USIE-00 /073 W  
-----106378 081958Z /14

O 081817Z DEC 77  
FM AMEMBASSY BRUSSELS  
TO SECSTATE WASHDC IMMEDIATE 3592  
INFO ALL EC CAPITALS  
USMISSION USNATO

UNCLAS SECTION 01 OF 02 BRUSSELS 18143

USEEC

E.O. 11652: N/A  
TAGS: EEC, ECIN, EAGR  
SUBJ: EUROPEAN COUNCIL, DECEMBER 5-6, 1977: HIGHLIGHTS

REFS: (A) 76 THE HAGUE 6629; (B) BRUSSELS 17559; (C)  
ROME 5047; (D) BRUSSELS 17971

1. SUMMARY: HEADS OF GOVERNMENT AND FOREIGN MINISTERS  
OF THE EUROPEAN COMMUNITY MEMBER STATES MET IN BRUSSELS  
DECEMBER 5-6 FOR ONE OF THE REGULAR SESSIONS OF THE  
EUROPEAN COUNCIL. DEBATE CONCENTRATED HEAVILY ON  
COMMUNITY AND INTERNATIONAL ECONOMIC ISSUES BUT ALSO DEALT  
SUCCESSFULLY WITH A SERIES OF CONTENTIOUS INTERNAL  
COMMUNITY ISSUES. MOST OF THE PARTICIPANTS DESCRIBED  
THE MEETING AS A "SUCCESS". SEPTELS REPORT ON DISCUSSION  
OF: THE ECONOMIC SITUATION AND EC COMMISSION PROPOSALS  
CONCERNING ECONOMIC AND MONETARY UNION; POLITICAL  
COOPERATION ISSUES; CREATION OF A NEW COMMUNITY FINANCIAL  
INSTRUMENT; IMPLEMENTATION OF ARTICLE 131 OF THE  
ACCESSION TREATY; THE EC REGIONAL FUND; EC TRADE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRUSSE 18143 01 OF 02 081918Z

RELATIONS WITH JAPAN; A GISCARD D'ESTAING PROPOSAL FOR  
CREATION OF A COMMON COMMUNITY "LEGAL ZONE"; AND  
EUROPEAN PARLIAMENT DIRECT ELECTIONS. OTHER ISSUES  
DISCUSSED BY THE EUROPEAN COUNCIL ARE HIGHLIGHTED BELOW.  
END SUMMARY.

2. EUROPEAN INTEGRATION:

PURSUANT TO A DECISION OF THE NOVEMBER 1976 EUROPEAN COUNCIL (REF A) THE HEADS OF GOVERNMENT HELD A BRIEF ANNUAL REVIEW OF PROGRESS TOWARD THE OBJECTIVES OUTLINED IN THE TINDEMANS REPORT ON EUROPEAN INTEGRATION. THERE WAS LITTLE ACTUAL DISCUSSION OF THIS MATTER, THE HEADS OF GOVERNMENT SIMPLY LENDING THEIR AGREEMENT TO THE CONCLUSIONS DRAWN IN SEPARATE STATUS REPORTS FROM THE FOREIGN MINISTERS (REF B) AND THE COMMISSION (SEE SEPAIR).

3. THE COMMISSION ALSO SUBMITTED TO THE COUNCIL A PAPER ON POSSIBLE EXPANSION OF THE COMMISSION'S ROLE IN THE IMPLEMENTATION AND MANAGEMENT OF THE COMMUNITY POLICIES THROUGH GREATER USE OF ARTICLE 155 OF THE ROME TREATY (PAPER BEING SENT SEPAIR). THE PAPER RECALLS PREVIOUS EXPRESSIONS OF CONCERN BY THE HEADS OF GOVERNMENT TO THE EFFECT THAT THE EC COUNCIL MACHINERY IS TOO OVERBURDENED WITH DETAIL TO BE ABLE TO CONCENTRATE ON IMPORTANT ISSUES. THE COMMISSION SUGGESTS THAT THE COUNCIL THEREFORE MAKE FULL USE OF THE POSSIBILITIES OFFERED IN ARTICLE 155 TO ALLOW THE COMMISSION A GREATER DAY-TO-DAY MANAGEMENT ROLE. THE COMMISSION CONSIDERS THAT ARTICLE 155 SHOULD BE MORE SYSTEMATICALLY APPLIED TO ALL AREAS OF COMMUNITY COMPETENCE BUT THAT IT SHOULD PARTICULARLY BE USED IN CONDUCTING THE FOLLOWING TYPES OF COMMUNITY BUSINESS: MAKING DECISIONS ESTABLISHING UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BRUSSE 18143 01 OF 02 081918Z

FACTS (E.G., THAT A TARIFF QUOTA HAS BEEN USED UP, THAT THRESHOLDS AND MAXIMUM COUNTRY AMOUNTS UNDER THE GSP HAVE BEEN REACHED); ALLOCATION OF BUDGETARY APPROPRIATIONS (E.G., MANAGEMENT OF FUNDS AND APPROPRIATIONS WITHIN THE EC, OR FINANCIAL ASSISTANCE IN THE EXTERNAL RELATIONS SECTOR); DAY-TO-DAY ADMINISTRATION AND MANAGEMENT (E.G., THE PRESENT SYSTEM OF AGRICULTURAL MANAGEMENT COMMITTEES COULD BE DUPLICATED IN OTHER SECTORS, SUCH AS TECHNICAL ADAPTATION OF REGULATIONS TO CHANGED CIRCUMSTANCES AND MANAGEMENT OF EXCEPTION AND SAFEGUARD CLAUSES); EMERGENCY MEASURES (THESE ARE NOW AUTHORIZED THE COMMISSION IN AGRICULTURAL MATTERS AND IN MANAGEMENT OF COMMERCIAL POLICY AND COULD BE FURTHER EXTENDED.) AT HIS POST-MEETING PRESS CONFERENCE, BELGIAN PRIME MINISTER TINDEMANS, EUROPEAN COUNCIL PRESIDENT, ANNOUNCED THAT THE COMMISSION HAS BEEN INSTRUCTED TO SUBMIT DETAILED PROPOSALS CONCERNING POSSIBLE EXPANDED USE OF ARTICLE 155 TO THE FOREIGN MINISTERS COUNCIL.

4. TINDEMANS ALSO ANNOUNCED THAT THE HEADS OF GOVERNMENT AGREED IN PRINCIPLE TO THE CREATION OF A EUROPEAN CULTURAL

FOUNDATION (REF C) BUT THAT FURTHER STUDY WILL BE REQUIRED ON CERTAIN ASPECTS OF THE COMMISSION'S INITIAL PROPOSALS CONCERNING THIS INSTITUTION. THE EC COUNCIL AND THE COMMISSION HAVE BEEN INSTRUCTED TO CLEAR UP THESE POINTS SO THAT THE HEADS OF GOVERNMENT CAN TAKE A FINAL DECISION ON THE FOUNDATION AT THEIR APRIL 1978 EUROPEAN COUNCIL MEETING.

5. MONETARY COMPENSATORY AMOUNTS:

IN THE CONTEXT OF GENERAL ECONOMIC DEBATE (REF D),THE

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 BRUSSE 18143 02 OF 02 081919Z  
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08  
FRB-01 INR-07 NSAE-00 SP-02 STR-05 TRSE-00 LAB-04  
SIL-01 OMB-01 OPIC-06 AGRE-00 XMB-04 SSO-00  
INRE-00 NSCE-00 IO-14 PRS-01 USIE-00 /073 W  
-----106392 081958Z /14

O 081817Z DEC 77

FM AMEMBASSY BRUSSELS

TO SECSTATE WASHDC IMMEDIATE 3593

INFO ALL EC CAPITALS

USMISSION USNATO

UNCLAS SECTION 02 OF 02 BRUSSELS 18143

HEADS OF GOVERNMENT TOUCHED ON THE ISSUE OF AGRICULTURAL MONETARY COMPENSATORY AMOUNTS (MCA'S). EC COMMISSION PRESIDENT JENKINS TOLD REPORTERS THAT DISCUSSION CENTERED UPON THE EFFECT MCA'S HAVE ON AGRICULTURAL PRICE LEVELS AND THE SPEED WITH WHICH THEY CAN BE DISMANTLED. THE COMMISSION IS TO REPORT BACK TO THE APRIL EUROPEAN COUNCIL MEETING CONCERNING FURTHER DEVELOPMENTS.

6. EUROPEAN COUNCIL FUNCTIONING:

DESPITE THE VIEW GENERALLY HELD BY PARTICIPANTS THAT THE MEETING WAS A SUCCESS, UK PRIME MINISTER CALLAGHAN AND FRG CHANCELLOR SCHMIDT BOTH VOICED CONCERNS AT THE WAY THE EUROPEAN COUNCIL FUNCTIONS AS AN INSTITUTION. BOTH COMPLAINED AT THE OUTSET OF THE LENGTH AND TECHNICALITY OF THE AGENDA AND SUCCEEDED IN HAVING A DISCUSSION ON EUROPEAN PARLIAMENT PAY LEVELS DROPPED FROM THE AGENDA.

CALLAGHAN'S SPOKESMAN EMPHASIZED TO REPORTERS THAT THE PRIME MINISTER DOES NOT CONSIDER ARTICLE 131 AND THE REGIONAL FUND TO BE THE SORT OF ISSUES THE HEADS OF GOVERNMENT SHOULD HAVE TO DISCUSS AND THAT HE HAS MISGIVINGS ABOUT INSTITUTIONALIZED REFERRAL OF SUCH MATTERS TO UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRUSSE 18143 02 OF 02 081919Z

THE EUROPEAN COUNCIL. SCHMIDT ALSO VOICED CONCERN TO THE PRESS THAT THE EUROPEAN COUNCIL IS TAKING ON A "COURT OF APPEALS" CHARACTER, BEING ASKED TO CONSIDER PROBLEMS WHICH SHOULD HAVE BEEN SOLVED AT LOWER LEVELS. SCHMIDT SAID ONE RESULT OF THIS DEVELOPMENT IS THAT EACH HEAD OF GOVERNMENT HAS TO BRING ALONG A LARGE NUMBER OF EXPERTS (SCHMIDT BROUGHT 20) AND THAT THERE ARE USUALLY NOT FEWER THAN 40 PERSONS IN THE COUNCIL CHAMBER. MORRIS

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COMMITTEE MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 08-Dec-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BRUSSE18143  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770457-0183  
**Format:** TEL  
**From:** BRUSSELS USEEC  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19771279/aaaacpex.tel  
**Line Count:** 189  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** b68fb708-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 THE HAGUE 6629, 77 BRUSSELS 17559  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 23-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 314396  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EUROPEAN COUNCIL, DECEMBER 5-6, 1977: HIGHLIGHTS  
**TAGS:** ECIN, EAGR, EEC  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/b68fb708-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009